



**ARIZONA DEPARTMENT OF ECONOMIC SECURITY**

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**Governor**

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Tracy L. Wareing  
**Director**

December 29, 2006

Dear Consumer and Family Members:

As you are aware, the State of Arizona will implement a new minimum wage of \$6.75 effective January 1, 2007, based on the voter approved initiative, Proposition 202. There have been a number of questions and concerns raised as to whether and how providers of employment services and consumers served by these programs may be impacted by this new law. Most of these provider agencies have special subminimum wage certificates from the U.S. Department of Labor that pay people based on their productivity. The two program areas that have raised the most questions are Center-Based Employment and Group Supported Employment. You may have heard these programs referred to as work centers, sheltered work, enclaves or work crews.

The Division of Developmental Disabilities has spoken with most of its employment service providers to ask about their plans for services starting January 1, 2007. Some providers have chosen to continue operating as usual under their special subminimum wage certificate from the Department of Labor. Others are choosing to provide work at the minimum wage and others are looking at providing non-paid, work-related training services.

The Division has identified short-term contingency plans for consumers who cannot continue in their current paid work activities. These contingency plans will allow consumers to keep their current vocational and employment activities to the greatest extent possible as we look at what the longer term options might be. The short-term contingency plan is outlined below in the event a provider reduces paid work hours or chooses not to continue with paid work activities.

**Center-Based Employment**

- We have asked provider agencies to allow consumers to still attend the center but participate in non-paid work and training activities related to general work skills and work habits.
- Consumers who spend part of their day in center-based services and part of the time in day treatment will continue with both services. If the provider will not be providing paid work in center-based services, the consumer will still have training activities related to work skills and work habits.

## **Group Supported Employment**

- Consumers working in group supported employment (such as work crews or enclaves) for a provider agency not providing paid work or that plans to reduce the number of paid work hours may be referred for services in a center-based program. As described above, consumers would participate in non-paid work and training activities related to work skills and appropriate work habit development.
- Consumers who spend part of the day or week in center-based services and part of the time in group supported employment will receive only the center-based service. Providers currently offering only group supported employment will be asked if they would like to expand their service array to include center-based services; however, if they do not, your support coordinator will work with you to select a different service or employment service provider.

## **Individual Supported Employment**

- Consumers receiving individual supported employment are competitively employed and already earning minimum wage or higher and should not be impacted by the change. Should a consumer lose their current employment, the Division would expect their service provider to implement a job search for new job opportunities.

As the Division believes that consumers remaining in a structured environment with a day that promotes each person's current vocational and employment goals is in the consumers' best interest, we will not be looking to increase day treatment programs or service time at home as a result of this contingency plan. As with any change of services, these requests will require a team meeting and a review of each individual's needs. The Division will provide for Individual Support Plan team meetings for any consumer, family or provider that makes the request.

This interim contingency plan is only intended to address the immediate issue of the effective date of the state's new minimum wage law until further legal guidance is available. It does not alter the Division's long term program goal of increasing employment for consumers.

Thank you so much. Please do not hesitate to contact your Support Coordinator if you have any questions or concerns.

Sincerely,



Barbara Brent  
Assistant Director

<http://www.azdes.gov/ddd/>